HKSARG vehemently refutes groundless accusations of report by United States-China Economic and Security Review Commission

The Hong Kong Special Administrative Region (HKSAR) Government today (December 2) vehemently refutes the report issued by the United States-China Economic and Security Review Commission (USCC) (Report) and firmly opposes the sweeping attacks and unfounded accusations in the Chapter on Hong Kong.

The HKSAR Government solemnly urges the United States (US) to respect the basic norms governing international relations and stop interfering in the affairs of the HKSAR, which is an inalienable part of the People's Republic of China, enjoys a high degree of autonomy and comes directly under the Central People's Government (CPG).

A Government spokesman said, "The Report is another vivid example of the blatant interference by the US in Hong Kong's affairs, following the US Congress' successive passage of a host of laws against the HKSAR. It is hypocritical for the US to introduce measures to attack China by creating issues in the HKSAR using the excuse of human rights, democracy and autonomy. Such groundless and unjust political manoeuvres will achieve nothing but undermining Hong Kong—US relations and hurting US' own interests."

"We strongly refute the accusation that 'One Country, Two Systems' is undermined. On the contrary, no one is more committed than the CPG to the implementation of 'One Country, Two Systems' which is the best institutional arrangement to ensure Hong Kong's long-term prosperity and stability. President Xi Jinping has stressed that the CPG will unswervingly implement the policy of 'One Country, Two Systems' and ensure that it is fully applied in Hong Kong without being bent or distorted."

"The legal basis for implementing 'One Country, Two Systems' is the Constitution of the People's Republic of China and the Basic Law of the Hong Kong Special Administrative Region of the People's Republic of China (Basic Law), not the Sino-British Joint Declaration. As the Ministry of Foreign Affairs has stressed time and again, the Sino-British Joint Declaration stipulated the resumption of exercise of sovereignty by China over Hong Kong and relevant arrangements during the transition period. The basic policies regarding Hong Kong declared by China in the Joint Declaration were China's statement of policies, not commitment to the United Kingdom (UK) or an international obligation as some claim. With the resumption of exercise of sovereignty by China over Hong Kong and the completion of follow-up matters, all UK-related provisions have been fulfilled. The international community should fully acknowledge this fact and stop interfering in Hong Kong affairs which are internal affairs of China."

"We take great exceptions to the comments in the Report smearing the Law of the People's Republic of China on Safeguarding National Security in the Hong Kong Special Administrative Region (National Security Law). National security is a matter within the purview of the Central Authorities. It is the legitimate right and duty of every state to safeguard its national security. Be it adopting a unitary or federal system, legislation on national security is invariably carried out by the central authorities rather than local government. Enacting laws on national security with extraterritorial effect is also squarely in line with international practice. There are numerous pieces of legislation covering national security widely in the US, with the law enforcement agencies being authorities at the federal level, and provisions that have extraterritorial effect. The attack on the National Security Law only demonstrates the double standards adopted by the USCC."

"Hong Kong, used to be one of the safest cities in the world, was besieged by escalating violence in 2019. The series of serious violent events since June last year upset the law and order and safety which Hong Kong had enjoyed over the years. Rioters set fire, extensively vandalised properties, recklessly attacked people of opposite stances, and took laws in their own hands. The media was loaded with fake and misleading information smearing the Hong Kong Police (Police), resulting in unprecedented difficulties and challenges which the Police faced in law enforcement. Weapons, firearms, explosives and dangerous goods seized by the Police in connection with the riotous acts were of a great variety. Rioters hurled at least 5 000 petrol bombs during the violent incidents, with another 10 000, at least, petrol bombs seized in the period."

"The acts and activities, including calls for 'Hong Kong independence' imbued with anti-China sentiment, seriously undermined social order and endangered Hong Kong's stability. At the same time, external forces had intensified their interference in Hong Kong affairs and flagrantly glorified the illegal acts of radicals using the excuse of freedom and democracy. The HKSAR Government condemns overseas politicians for turning a blind eye to such violence which was seriously jeopardising our nation's sovereignty, security and development interests, the HKSAR's prosperity and stability as well as the basic rights and freedoms of all law-abiding residents of the HKSAR. It was against such background that the National People's Congress (NPC), the highest organ of state power, made the decision on May 28, 2020 that a national law on national security should be enacted to safeguard national security in the HKSAR, and that the National Security Law was adopted by the NPC Standing Committee on June 30."

It is totally untrue and biased to say that the National Security Law pays no regard to the rights and freedoms of Hong Kong people or undermines the high degree of autonomy of the HKSAR. The National Security Law clearly stipulates that the HKSAR shall protect the rights and freedoms enjoyed by residents under the Basic Law and the provisions of the International Covenant on Civil and Political Rights (ICCPR) and the International Covenant on Economic, Social and Cultural Rights as applied to Hong Kong in accordance with the law. However, certain rights and freedoms recognised in the ICCPR are not absolute: the ICCPR stipulates that certain rights and freedoms may

be subject to restrictions as prescribed by law if it is necessary in the interests of national security, public safety, public order or the rights and freedoms of others, etc.

"The National Security Law has clearly stipulated four categories of offences that endanger national security. It clearly sets out the elements of the offences, penalties, mitigation factors and other consequences. There is no question of law-abiding persons inadvertently violating the law. The arrests made by the Police are based on evidence and strictly according to the laws in force."

"We must emphasise that no one has any privilege to break the law without facing legal consequences. The Police have a statutory duty to maintain public safety and public order. If the public express their views in a peaceful and lawful manner, there would be no need for the Police to use any force. The Police have a set of stringent guidelines on the use of force that are consistent with international human rights norms and standards."

"Since the implementation of the National Security Law, stability has been restored to society and national security has been safeguarded in the HKSAR. Our people can continue to enjoy their basic rights and freedoms in accordance with the law. A stable environment is vitally important to the business activities of both local and overseas enterprises in Hong Kong."

"The decision of postponing the Legislative Council Elections by one year was carefully made after assessing the public health risks arising from over three million voters coming out to cast their vote on a day involving over 600 polling stations. As the new wave of the COVID-19 epidemic in July 2020 saw an alarming surge in confirmed cases and deaths, it was necessary to implement various stringent social distancing measures in order to combat the spread of the virus. With these measures in place, no meaningful electioneering activities could be conducted. The strict boundary control measures also made it impossible for voters from the Mainland and overseas to return to cast their vote. In addition, legal, practical and time constraints meant that it was not feasible to introduce alternative method to facilitate electors to vote."

Referring to the report's misguided views on Hong Kong's role as an international financial centre, the Government spokesman pointed out that Hong Kong's financial markets and linked exchange rate system had continued to operate in a stable and orderly manner following the implementation of the National Security Law. The Hong Kong dollar exchange rate had stayed on the strong side and net inflow of nearly US\$47 billion had been registered since June, reflecting international investors' continuous confidence in Hong Kong's financial markets. The banking system remained robust with major banks' average liquidity coverage ratio and average capital adequacy ratio exceeding 156 per cent and 20 per cent respectively, both well above the international regulatory standards. The stock market stayed vibrant and orderly, with a continuous flow of initial public offering activities attracting strong market interest. In the first ten months of 2020, the average daily turnover of the Hong Kong stock market reached \$125 billion, an increase of 40 per cent over the same period last year.

"The HKSAR Government has the determination and capability to safeguard Hong Kong's long-term prosperity, stability and financial security for investors to continue operating here. Capitalising on the strengths of 'One Country, Two Systems', Hong Kong will harness the tremendous opportunities presented by the sustained reform and opening up of the Mainland market buttressed by Hong Kong's adherence to and connectivity with international rules and standards. Hong Kong's status as an international financial centre will not change," said the spokesman.

The HKSAR Government will continue to discharge its duty to safeguard national security in Hong Kong in accordance with the law and without fear or anxiety. We will not be intimated by the so-called sanctions unjustifiably imposed by foreign countries. With the CPG's support, the HKSAR Government will strive to forge ahead with renewed perseverance.